



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Gene D. Munson

File: B-253745

Date: November 5, 1993

DIGEST

A transferred employee executed an agreement to purchase a residence in the vicinity of his new duty station and moved into it on a rental basis pending settlement. He claims temporary quarters subsistence expenses for the rental period. The claim may not be allowed. Section 302-5.2 of the Federal Travel Regulation authorizes reimbursement only while the employee is in temporary quarters. Where an employee initially occupies a residence with the intention of making it his permanent residence, he is not entitled to the subsistence expenses during the rental period. Kent N. Rosenlof, 66 Comp. Gen. 701, and decisions cited.

DECISION

This decision responds to a request from the Bureau of Reclamation, Department of the Interior,¹ concerning the entitlement of an employee to receive temporary quarters subsistence expenses (TQSE) while occupying quarters which he had contracted to purchase as permanent quarters. We conclude that the employee is not entitled to reimbursement for the following reasons.

Mr. Gene D. Munson, an employee of the Bureau of Reclamation, was transferred from Grand Junction, Colorado, to Denver, Colorado, with a reporting date of November 3, 1992. On October 21, 1992, he executed an agreement to purchase a residence in Littleton, Colorado. On October 29, 1992, he executed a lease agreement to occupy the residence beginning on November 12, 1992. On November 13, 1992, Mr. Munson and his family occupied that residence under the lease agreement. On December 15, 1992, he completed purchase of the residence.

¹Ms. Elizabeth A. Clerkin, Authorized Certifying Officer, Reference D-7733.

Mr. Munson's TQSE claim for the period November 13 to December 15, 1992, was disallowed by the agency for the reason that the residence Mr. Munson and his family occupied as temporary quarters actually was his permanent quarters. Mr. Munson has appealed that ruling.

We have held that when an employee moves into a residence that the employee intends to purchase, the residence becomes the employee's permanent quarters immediately upon initial occupancy,² even though final settlement on the residence has not occurred. Further, the fact that such occupancy results in savings to the government, does not serve as a basis for payment of TQSE for any part of the period of occupancy.³

Thus, where, as in this case, the employee leases and occupies a residence near his new duty station pending actual purchase/settlement of that residence, the fact that he characterizes that occupancy as temporary because he has yet to purchase it does not alter the fact that the quarters were permanent. Accordingly, such TQSE rights as Mr. Munson had incident to his transfer, terminated on the date he began occupancy of the residence in Littleton, Colorado.

James F. Hinchman

James F. Hinchman
General Counsel

²Kent N. Rosenlof, 66 Comp. Gen. 701 (1987), and decisions cited. See also Walter E. Murphy, B-226362, Nov. 23, 1987; and Charles I. Ahn, B-252602, Aug. 16, 1993.

³Robert D. Hawks, B-205057, Feb. 24, 1982, and decisions cited.